

COLUMBIAN BATTLESHIP SUNK OFF COLON GENERAL ALBAN KILLED IN A SAVAGE FIGHT

Fierce Naval Battle is Fought in Bay of Panama Between Insurgents and Government Forces

REBELS TRY TO FORCE LANDING

Insurgent Steamer Fires and Sinks the Government Boat, Lautaro--Great Excitement Prevails--Treachery in Government Lines is Suspected.

United States Boat Philadelphia Guards Interests of Uncle Sam.

Washington, Jan. 20.—Only meager details of the fighting between the vessels of the Colombian government and those of the insurgents in Panama bay were received in official circles today. They consisted of a dispatch from Consul General Guler at Panama and another from Captain Mead, the commander of the cruiser Philadelphia, which is lying in Panama bay. The dispatches were as follows:

Colon, Colombia, Jan. 20 (via Galveston, Tex.).—A naval battle which began at 8 o'clock this morning is in progress in the harbor of Panama. The revolutionary fleet consists of the steamers Padilla, Duran and Galien. They are trying to force a landing on Sazona.

The government ships are the Chilean line steamer Lautaro; the Pacific Steam Navigation company's steamer Chiriqui, and the Panama Canal company's steamer Boyaca. The first named steamer was seized by General Alban and the other two have been chartered by the Colombian government.

As this dispatch is sent, three shots have just passed over the Chiriqui and she has answered with several shots. They fell close to the Padilla, which is seen to be retiring.

The gun at La Bozadora is also firing at the rebel ships.

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Colon is a week tonight no additional details had come to the department. It is to be seen, however, that the dispatches are in the hands of the state department.

The officials of the state and navy departments are watching the outcome of the contest with much interest. It is believed that fuller reports will be received tomorrow morning. At the Colombian legation great reports are expected. The officials at the death of General Alban, governor of Panama. He had proved a very successful officer, and in the recent observations incident to the capture and surrender of Colon by the rebels he had played a conspicuous part. He was about 35 years of age, a man of brilliant attainments. Formerly he had been a member of Congress.

Panama, Jan. 20.—General Carlos Alban, the military commander of this district and the governor of Panama, was killed during the fighting this morning. His death is deeply deplored, for General Alban was loved by his soldiers and enjoyed the esteem of the community.

It is asserted that the death of the Colombian leader may have the effect of bringing to the government side large numbers of men anxious to avenge his loss.

Some of the men killed on board the government ship Lautaro have been brought ashore, where they are being buried.

Fire broke out on the Lautaro and later the crew of the Philadelphia went to her assistance and attempted to put out the fire. While they were thus engaged, the Lautaro sank. It is reported here that the Lautaro's crew rebelled and that the sinking of the vessel was an act of treason.

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groes, who would be apt to be affected adversely by the loss of their leader.

Dr. Silva, the Colombian minister here, has been assured by the state department that anything in the nature of a bombardment of either of the isthmus towns, with its accompanying danger to American interests and interruption to transit, would be prevented by the American naval representation in that quarter.

The location officials, therefore, feel sure that in case the revolutionary fleet is successful in destroying the government vessels that the victory will end there.

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ALL FOR THE PANAMA DEAL

Canal Commission Favors the Panama Route Unanimously.

BETTER FOR THE MONEY

Every Detail of the Proposition Is Gone Over.

ARGUMENTS ARE USELESS

Nicaraguan Route Just "Aint" in It, That's All.

Washington, Jan. 20.—The president today sent to congress with a message, simply of transmittal, the supplemental report of the isthmian canal commission, in which it is unanimously recommended that the offer of the new Panama Canal company to sell all of its rights, property and unfinished work to the United States for \$100,000 be accepted. The senate ordered the report printed in the Congressional Record and also as a document.

After quoting the correspondence which passed between the commission and the officers of the Panama Canal company in Paris, the report says:

"The totality, without exception, of its property and rights on the isthmus," mentioned in the cablegram of January 3, includes the following classes of property:

1.—Land not built on.
2.—Buildings.
3.—Plant.
4.—Work done.

5.—Panama railroad. Of the existing 70,000 shares of the Panama railroad will transfer to the United States all but about 150 shares. These latter are held by a few individuals residing in various parts of the United States and in Europe.

6.—Maps, drawings and records.

ADVANTAGES OVER OTHERS.

The Panama route would be 154 miles shorter than the Nicaragua route from sea to sea, with fewer locks and less curvature, both on degrees and miles. The estimated time for a deep-draft vessel to pass through the Nicaragua canal was placed at thirty-three hours, as against twelve hours for Panama, these estimates being the time of actual navigation and not including delays for winds, currents or darkness. If the passage were made without interruption, about a day could be saved by the Nicaragua route by ordinary steamers handling cargoes between our Pacific ports and all Atlantic ports, and about two days by steamers of the same class trading between our Gulf ports and North Pacific ports.

The time advantage of the Nicaragua route would be less in the case of fast, high-powered steamers, the use of which is increasing. Between Atlantic ports and the west coast of South America, the Panama has the advantage of about two days, and between Gulf ports and the west coast of South America the Panama route has the advantage of about one day. The trade of the western coast of South America is a very important one, which has hitherto been in European hands.

The Panama route is an old highway of commerce, along which no considerable development is likely to occur. During the construction of a canal on the Nicaragua route business relations would be established with Costa Rica and Nicaragua which would likely continue. Existing conditions indicate genuine advantages at Nicaragua, although equally genuine advantages must be taken in both cases. The offer received from the Nicaragua company to convey all its property, including all its interests in the Panama railroad, to the United States, will make the estimated cost of the two canals as follows:

Nicaragua, \$29,844,000; Panama, \$13,122,000.

Panama would give title to all the land now held by both the Panama Canal company and the Panama Railroad company, which covers nearly all lands required for the construction of the canal. The land held by private parties at Nicaragua must be acquired and its acquisition may prove expensive. The question of the new Panama Canal company can, in a purchase, a valid title to the property formerly belonging to the old company, its predecessor, has been considered and approved in former reports of the commission, but in view of the importance in connection with the canal it will be again presented.

The old company, in addition to its canal property acquired under a concession from the Colombian government, owns nearly all of the shares of the Panama Railroad company. By purchasing these it obtained control of the canal, under which the canal had been built. The latter concession will continue in force until 1910, the concession is to run for ninety-nine years from the day when the canal shall be opened to public service, and the date for this extension, according to its latest extension, is October 1, 1910. When these periods expire the different properties are to belong absolutely to Colombia, without compensation, and the government is under no obligation to extend either concession.

The canal company is absolutely prohibited to cede or mortgage its rights under any consideration whatever to any nation or foreign government under penalty of forfeiture. The contract with the railroad company contains a like provision. It declares further that the company shall not be permitted to transfer its rights to a foreign government, and such an act is declared absolutely null and of no value or effect.

But for the purpose of permitting the new Panama Canal company to enter upon the negotiations which have resulted in the present offer Colombia has waived these prohibitions and has authorized the company to treat directly with the United States, with a view to the use and occupation of the territory of the former for canal purposes, if our government should select the Panama route for the French coast to take charge of its property and affairs. When the new company was formed he was authorized to contribute to it the rights, privileges, plans, documents, plant and unfinished work in his hands and under his control, and in consideration of this grant he was to receive 60 per cent of the net profits of the enterprise after deducting all expense charges, stipulated dividends to be distributed by him among the parties in interest.

The interest of the old company is still under the protection of the liquidator and he must be a party to an arrangement that may be entered into for a sale and conveyance of the property, and he has the right to appear before the tribunal that appointed him, his action requires the approval and confirmation of the court.

The papers before the commission show that the liquidator had agreed to the proposition and that he is acting under judicial authority.

A deed to the property executed by the canal company and the liquidator requires the approval of the government of Colombia, because of the prohibition already referred to in the concessions and for the further reason that the republic owns 50,000 shares of 100 francs each of the stock of the company fully paid, of which it cannot be deprived without its consent.

Such a transfer of title thus approved would give to the United States the same right, title and interest in the premises that the new Panama Canal company now has, but it would not be sufficient. The existing concessions thus purchased would be valuable only because their ownership by the United States would remove the obstacles in the way of negotiations between the two governments for the occupation of Colombian territory by the United States for canal purposes; but these concessions are unsatisfactory and insufficient and a new arrangement must be made if an isthmian canal is to be constructed by our government across the isthmus of Panama.

The grant must be not for a term of years, but in perpetuity and a strip of territory from ocean to ocean of sufficient width must be placed under the control of the United States. In this strip the United States must have the right to enforce police regulations, prescribe order, protect property rights and exercise such other powers as are appropriate and necessary. The business relations between the railroad and canal company and the Colombian government must also be settled and the consideration to be paid by the United States for the purchase of the canal must be determined. The future must be agreed upon free from all embarrassment with reference to past transactions.

The commission has no power to enter upon negotiations for the arrangement of these matters; they belong to the treaty-making power. If, however, the terms offered by the new Panama Canal company should be conditioned upon their satisfactory adjustment. The advantages of the two canal routes have been re-stated according to the findings of the former report. There has been no change in the views of the commission with reference to any of these conclusions reached; but the new proposition submitted by the new Panama Canal company makes a reduction of nearly seventy million dollars in the cost of a canal across the isthmus of Panama, according to the estimates contained in the former report.

There is, however, one important matter which cannot enter into its determination, but which may in the end control the action of the United States. Reference is made to the disposition of the government whose territory is necessary for the construction and operation of an isthmian canal. It must be assumed by the commission that Colombia will exercise the same fairness and liberality if the Panama route is determined upon as it has been expected of Nicaragua and Costa Rica, should the Nicaragua route be preferred.

The report concludes as follows:

After considering the changed conditions that now exist, and all the facts and circumstances upon which the present judgment must be based, the commission is of the opinion that "the most practicable and feasible route" for an isthmian canal is to be under the control, management and ownership of the United States; it is known as the Panama route.

The report is signed by the entire commission, as follows:

W. H. Walker, rear admiral, U. S. N., president of the commission; Samuel D. Lucien, Alfred Noble, George E. Morrison, Peter C. Haines, colonel, U. S. Corps of Engineers; William H. Burr, U. S. Army, lieutenant-colonel, U. S. Corps of Engineers; Lewis M. Haupt, Emory H. Johnson.

The state department will now proceed to arrange a protocol with Minister Silva, engaging Colombia to approve the transfer of the franchise of the Panama company, and to make any desirable extensions of time, allowance for the completion of the canal, and in the life of the lease.

OVER THE WHOLE STATE

Snowstorm Takes the Cross-look From the Wheat-grower's Face.

Yupika, Kan., Jan. 20.—Snow, ranging in depth from two to eight inches, covers Kansas tonight. It is still falling, and by morning it will be as heavy as snow as has fallen in Kansas for several winters.

The storm started in the west last night and by 1 o'clock the storm had covered the eastern border of the state. It is snowing harder in the northern part of the state tonight than in any other part, and extends as far south as Fairbury, Nebraska.

Practically no wind accompanied the snow, and the temperature has been moderate all day. No drifts have been reported, but the snow is wet and packs down easily. The beneficial effect of the snow upon crops is incalculable. Wheat was

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